

**Balmer Lawrie & Co. Ltd.**

**26<sup>th</sup> September 2012**

**MINUTES of the proceedings of the 95<sup>th</sup> Annual General Meeting held on Wednesday, 26 September, 2012 at 10.30 a.m. at Ghanshyam Das Birla Sabhagar, 29, Ashutosh Choudhury Avenue, Kolkata- 700 019.**

**Present**

Shri Virendra Sinha , Chairman & Managing Director in the Chair  
Shri VLVSS Subba Rao, Government Nominee Director  
Shri Partha S Das, Government Nominee Director  
Shri K Subramanyan, Director (Finance)  
Shri Niraj Gupta, Director (Service Business)  
Shri Anand Dayal, Director (Manufacturing Business)  
Shri M P Bezbaruah, Independent Director &  
Chairman of the Audit Committee  
Shri Kashi C Murarka, Independent Director  
Shri P K Bora, Independent Director  
Shri Asish K.Bhattacharyya, Independent Director  
Smt Abha Chaturvedi, Independent Director

Shri P Kalyanasundaram being the Representative of Balmer Lawrie Investments Ltd, the Holding Company under Section 187 of the Companies Act, 1956.

1997 Members in person (excluding 3 Wholetime Directors present at the meeting who are also shareholders), 23 Members being Bodies Corporate (excluding Balmer Lawrie Investments Ltd.) represented by their Authorized Representatives & 212 Members by proxy.

**In Attendance**

Shri Amit Ghosh, Company Secretary

**Chairman**

Shri Virendra Sinha took the Chair in accordance with Article 58 of the Articles of Association of the Company.

**Quorum**

The requisite quorum being present, the Chairman declared the 95<sup>th</sup> Annual General Meeting as properly constituted. The Chairman welcomed the Members to the 95<sup>th</sup> Annual General Meeting of the Company and introduced the Directors on the dais.

CHARMANS  
INITIALS



**Balmer Lawrie & Co. Ltd.****26<sup>th</sup> September 2012****Notice**

The Notice dated 14 August 2012 convening the 95<sup>th</sup> Annual General Meeting, which had been mailed to the Members on 1 September 2012 pursuant to the provisions of the Companies Act, 1956, was taken as read with the consent of the Members present.

**Register of Directors' Shareholding**

The Register of Directors' Shareholding maintained under Section 307 of the Companies Act, 1956, was placed on the table and kept open and accessible to the Members for inspection during the Meeting.

**Auditors' Report**

The Auditors' Report along with the Comments of the Comptroller and Auditor General of India on the accounts and financial statements of the Company for the financial year ended 31 March 2012 was read out by the Company Secretary. The said Report and the Comments were kept open for inspection by the Members at the venue.

**Chairman's Address**

The Chairman addressed the Members present before taking up for consideration the items of business listed in the Notice of the Meeting. In his address, the Chairman highlighted the salient aspects of the prevailing global economic environment, the economic scenario within the country and mentioned that notwithstanding the global slowdown and the lackluster Indian economic scenario, the Company had lived up to the stakeholders' expectations delivering sound performance in terms of growth in turnover, profit and return on investments. He presented a brief synopsis of the performance of each of the Strategic Business Units [SBUs] in 2011-12. Mentioning that the economic journey in the fiscal 2011-12 was full of challenges, expectations and realizations, the Chairman outlined the overall financial performance of the Company during the year. He stated that in 2011-12, the Company achieved its highest ever turnover -- with net sales crossing Rs. 2450 crore -- and the profit before tax [PBT] and the profit after tax [PAT] of the Company had increased by 5% and 14% respectively compared to the previous year. He opined that this achievement is attributable to better capacity utilization, increase in productivity, optimum utilization / allocation of resources, better cost management, upgradation of technology and availing opportunities for broadening the market for the Company's products and services through timely and strategic actions. He shared his happiness over the Company recording impressive results in the first quarter of 2012-13 in terms of turnover and profit-before-tax.

The Chairman then took the opportunity to brief the Members on the future outlook of the Company and all its eight SBUs so as to maintain its tempo of steady and positive business growth. Referring to the Corporate Governance Report published with the Annual Report 2011-12, Chairman re-affirmed the sincerity of the Company in driving Corporate Governance in the Company to ensure that it is focused on the bedrock of accountability to the stakeholders, absolute transparency in the reporting system, maintenance of high ethical standards and enhancement in the stakeholders' value on consistent basis. He stated that Corporate Social Responsibility [CSR] is integral to the belief of the Company and finds a place in its Mission Statement. He outlined the progress made in the running of two flagship schemes instituted by the Company in the ambit of CSR and stated that the Company had exceeded the stipulated benchmark of 2% of the post-tax profit laid down by the Government as a measure of its commitment to CSR objectives.

The Chairman concluded his address by thanking the Shareholders, other Stakeholders, the Holding Company and the Ministry of Petroleum & Natural Gas, Government of India being the Administrative Ministry and other governmental authorities for their valuable support and cooperation.

The Chairman then took up the Agenda items listed in the Notice *ad seriatim*.

### **ORDINARY BUSINESS**

#### **1. ADOPTION OF AUDITED ACCOUNTS, DIRECTORS' REPORT & AUDITORS' REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2012**

The Directors' Report to the Members and the Audited Accounts for the year ended 31<sup>st</sup> March 2012 already circulated among the Members were taken as read with the consent of the Members.

Shri B N Kundu, a Member, proposed the following Ordinary Resolution:

**“RESOLVED THAT the Audited Profit and Loss Account of the Company for the financial year ended on 31<sup>st</sup> March 2012 and Balance Sheet as on that date, together with Reports of the Board of Directors and Auditors thereon along with the Comments of the Comptroller & Auditor General of India on the Accounts of the Company, already circulated to the members, be and are hereby received, considered and adopted.”**

Shri Tarak Chakraborty, a Member, seconded the Resolution.

The Chairman, thereafter, invited the Members to raise their queries arising out of the Directors' Report and the Audited Accounts placed before the Meeting. Some Members raised a few questions *inter alia* relating to the Accounts of the Company, the operations of the SBUs and on the Joint Venture Company, Transafe Services Limited. Relevant queries of the Members pertaining to the item under consideration were suitably replied to and/or clarified by the Chairman. During his reply, the Chairman *inter alia* informed that [a] R&D expenditure would be expected to increase as a sequel



to planned expansions in the SBUs-Industrial Packaging, Greases & Lubricants and Performance Chemicals, [b] cost management has been a strategic objective of the Company for enhancing profitability, [c] a factory visit by the shareholders could be arranged by the Company around February 2013, [d] the Company was working on reduction of debtors as part of working capital management, the bulk of which had arisen from the Government & PSUs and even the Secretary, Ministry of Petroleum & Natural Gas had written to the different Ministeries on the matter, [e] the Company had developed its on-line Tour portal with low cost carriers having provided access to their system, [f] advertisement cost of the Company was being increased but in a gradually manner consistent with business volumes, [g] much of the revenue of the Company accrued from SBU : Logistics Infrastructure and SBU: Logistics Services and hence significant investments had been made/ planned in these areas, [h] write-off of the investment in Transafe Services Limited [TSL] had been made in 2011-12 since this was considered to be prudent/ conservative from the standpoint of business efficacy and the write-off had been agreed to by the Auditors, [i] there was no proposal to merge TSL with the Company since TSL functions in a sector where it is best for the joint venture to operate as a private sector entity and [j] the Company does not have tea gardens with which to promote tea-tourism.

The above Resolution was, thereafter, put to vote upon a show of hands. The Members present voted in favour of the Resolution and no Member voted against the Resolution.

The Chairman, thereafter, declared the Resolution as having been carried unanimously.

## **2. DECLARATION OF DIVIDEND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2012**

The Chairman stated that the Board of Directors had recommended a dividend of Rs 28 per share, i.e. 280% for the year 2011-12 on the paid-up Equity Share capital of the Company.

Thereafter, Shri B.N.Kundu, a Member, proposed the following Ordinary Resolution:

**“RESOLVED THAT in accordance with the recommendation of the Board of Directors a dividend on 1, 62, 86,081 Equity shares of ₹10/- each of the Company at the rate of ₹28.00 (Rupees Twenty eight only) per share for the financial year ended 31 March 2012 be and is hereby declared on all the issued Equity shares of the Company and be paid out of the profits of the Company for the financial year as mentioned above to those Members whose names appear on the Company’s Register of Members at the close of business hours on 11 September 2012 or whose names are placed on the Register of Members based on valid share**



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transfers lodged with the Company or the Registrar and Share Transfer Agent on or before the close of business hours on the said 11 September 2012 as the Registered Holders of the said shares and to those "Deemed members" whose names appear in the statement of Beneficial ownership furnished by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as at the close of business hours on 11 September 2012, without deduction of Tax at source."

The Resolution was seconded by Shri S.L.Rathi, a Member.

The above Resolution was, thereafter, put to vote upon a show of hands. The Members present voted in favour of the Resolution and no Member voted against the Resolution.

The Chairman, thereafter, declared the Resolution as having been carried unanimously.

**3. REAPPOINTMENT OF DIRECTOR RETIRING BY ROTATION-  
SHRI P K BORA**

The Chairman mentioned that pursuant to the provisions of the Companies Act 1956, Shri P K Bora retired by rotation and being eligible, he had offered himself for re-appointment as Director.

Thereafter, Shri Tarak Chakraborty, a Member, proposed the following Ordinary Resolution:

**"RESOLVED THAT Shri P K Bora, a Director retiring under Section 256 of the Companies Act, 1956 be and is hereby reappointed a Director of the Company."**

Shri Ram Avatar Saraogi, a Member, seconded the Resolution.

The above Resolution was, thereafter, put to vote upon a show of hands. The Members present voted in favour of the Resolution and no Member voted against the Resolution.

The Chairman, thereafter, declared the Resolution as having been carried unanimously.

**4. REAPPOINTMENT OF DIRECTOR RETIRING BY ROTATION-  
SHRI ASISH K BHATTACHARYYA**

The Chairman mentioned that pursuant to the provisions of the Companies Act 1956, Shri Asish K Bhattacharyya retired by rotation and being eligible, he had offered himself for re-appointment as Director.



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Shri B.N. Kundu, a Member, proposed the following Ordinary Resolution:

**“RESOLVED THAT Shri Asish K Bhattacharyya, a Director retiring under Section 256 of the Companies Act, 1956 be and is hereby reappointed a Director of the Company.”**

Shri Samir Ghosh, a Member, seconded the Resolution.

The above Resolution was, thereafter, put to vote upon a show of hands. The Members present voted in favour of the Resolution and no Member voted against the Resolution.

The Chairman, thereafter, declared the Resolution as having been carried unanimously.

#### **5. FIXATION OF REMUNERATION OF THE AUDITORS**

The Chairman observed that in terms of Sections 224(8) (aa) and 619 of the Companies Act, 1956, in case of a Government Company, the Comptroller and Auditor General of India appoints the Auditors but the remuneration or the manner of fixation of remuneration requires to be determined by the Company at a general meeting.

Shri Tarak Chakraborty, a member, thereafter, proposed the following Ordinary Resolution:

**“RESOLVED THAT pursuant to Section 619, read with Section 224 (8) (aa) of the Companies Act, 1956 (“the Act”), the Board of Directors be and is hereby authorized to determine the amount of remuneration payable to the Auditors appointed under Section 619 of the Act, by the Comptroller and Auditor General of India including the cost of reimbursement of out-of-pocket expenses incurred in connection with the audit of accounts of the Company for the financial year 2012-13 by the said Auditors.”**

The Resolution was seconded by Shri S.L.Rathi, a Member.

The above Resolution was, thereafter, put to vote upon a show of hands. The Members present voted in favour of the Resolution and no Member voted against the resolution.

The Chairman, thereafter, declared the Resolution as having being carried unanimously.



***SPECIAL BUSINESS*****6. APPOINTMENT OF SHRI P P SAHOO AS DIRECTOR**

The Chairman mentioned that a Notice under Section 257 of the Companies Act, 1956 had been received by the Company from a member signifying his intention to propose Shri P P Sahoo for appointment as a Director of the Company.

Shri Pinaki Ghosh, the concerned member, proposed the following as an Ordinary Resolution:

**“RESOLVED THAT pursuant to the provisions of Section 257 of the Companies Act, 1956, Shri P P Sahoo, Wholetime Director be and is hereby appointed a Director, whose period of office as such Director shall be subject to determination by retirement of directors by rotation.”**

The Resolution was seconded by Shri P.K.Sen, a Member.

The above Resolution was, thereafter, put to vote upon a show of hands. The Members present voted in favour of the Resolution and no Member voted against the resolution.

The Chairman, thereafter, declared the Resolution as having being carried unanimously.

**7. APPOINTMENT OF SHRI VIRENDRA SINHA AS DIRECTOR**

Shri Virendra Sinha being interested in this item, the proceedings for the matter was conducted by Shri K Subramanian, Director (Finance).

Chairing the proceedings for the item, Shri Subramanian mentioned that a Notice under Section 257 of the Companies Act, 1956 had been received by the Company from a member signifying his intention to propose Shri Virendra Sinha for appointment as a Director of the Company.

Shri Pinaki Ghosh, the concerned member, proposed the following as an Ordinary Resolution:

**“RESOLVED THAT pursuant to the provisions of Section 257 of the Companies Act, 1956, Shri Virendra Sinha, Wholetime Director designated Chairman & Managing Director, be and is hereby appointed a Director, whose period of office as such Director shall be subject to determination by retirement of directors by rotation.”**

The Resolution was seconded by Shri B.N.Kundu, a Member.

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The above Resolution was, thereafter, put to vote upon a show of hands. The Members present voted in favour of the Resolution and no Member voted against the resolution.

The Chairman, thereafter, declared the Resolution as having being carried unanimously.

**8. APPOINTMENT OF SHRI NIRAJ GUPTA AS DIRECTOR**

Continuing with the proceedings as Chairman, Shri Virendra Sinha mentioned that a Notice under Section 257 of the Companies Act, 1956 had been received by the Company from a member signifying intention to propose Shri Niraj Gupta for appointment as a Director of the Company.

Smt. Chandra Mukhopadhyay, the concerned member, proposed the following as an Ordinary Resolution:

**“RESOLVED THAT pursuant to the provisions of Section 257 of the Companies Act, 1956, Shri Niraj Gupta, Wholetime Director be and is hereby appointed a Director, whose period of office as such Director shall be subject to determination by retirement of directors by rotation.”**

The Resolution was seconded by Shri Samir Ghosh, a Member.

The above Resolution was, thereafter, put to vote upon a show of hands. The Members present voted in favour of the Resolution and no Member voted against the resolution.

The Chairman, thereafter, declared the Resolution as having being carried unanimously.

**9. APPOINTMENT OF SHRI ANAND DAYAL AS DIRECTOR**

The Chairman mentioned that a Notice under Section 257 of the Companies Act, 1956 had been received by the Company from a member signifying intention to propose Shri Anand Dayal for appointment as a Director of the Company.

Smt. Chandra Mukhopadhyay, the concerned member, proposed the following as an Ordinary Resolution:

**“RESOLVED THAT pursuant to the provisions of Section 257 of the Companies Act, 1956, Shri Anand Dayal, Wholetime Director be and is hereby appointed a Director, whose period of office as such Director shall be subject to determination by retirement of directors by rotation.”**

The Resolution was seconded by Shri B.N.Kundu, a Member.



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The above Resolution was, thereafter, put to vote upon a show of hands. The Members present voted in favour of the Resolution and no Member voted against the resolution.

The Chairman, thereafter, declared the Resolution as having being carried unanimously.

**10. APPOINTMENT OF SHRI PARTHA S DAS AS DIRECTOR**

Moving to the last item on the agenda, the Chairman mentioned that a Notice under Section 257 of the Companies Act, 1956 had been received by the Company from a member signifying his intention to propose Shri Partha S Das for appointment as a Director of the Company.

Shri Swapan Chatterjee, the concerned member, proposed the following as an Ordinary Resolution:

**“RESOLVED THAT pursuant to the provisions of Section 257 of the Companies Act, 1956, Shri Partha S Das, Government Nominee Director be and is hereby appointed a Director, whose period of office as such Director shall be subject to determination by retirement of directors by rotation.”**

The Resolution was seconded by Shri P.K.Sen, a Member

The above Resolution was, thereafter, put to vote upon a show of hands. The Members present voted in favour of the Resolution and no Member voted against the resolution.

The Chairman, thereafter, declared the Resolution as having being carried unanimously.

**Vote of Thanks**

There being no other business to transact, the Meeting concluded with a hearty vote of thanks which was offered by Shri P. Kalyanasundaram -- representative of Balmer Lawrie Investments Ltd. -- on behalf of the Holding Company and all other Members to the Chair.

CHAIRMAN: DATED: 18/10/2012CHARMAN'S  
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